MIC

Form (2)

Sr. No. 3667-1
Dated 2-4-2014

THE REPUBLIC OF THE UNION OF MYANMAR

The Myanmar Investment Commission

PERMIT

Permit No. 703/2014 Date 2 APRIL 2014

The Myanmar Investment Commission issues this Permit under section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/Promoter MR. YANG CHANG HO

(b) Citizenship REPUBLIC OF KOREA

(c) Address NO. 202, KINGSBILL TOWN, 22-11, BAKCHON-DONG, KYEYANG-GU, INCHEON, KOREA.

(d) Name and Address of principal organization -

(e) Place of incorporation -

(f) Type of business in which investment is to be made MANUFACTURING OF GARMENT ON CMP BASIS

(g) Place(s) at which investment is permitted MYAY TAING BLOCK NO. 18, PLOT NO. 153, HLAING THAR YAR INDUSTRIAL ZONE 5 EXTENSION, HLAING THAR YAR TOWNSHIP, YANGON REGION.

(h) Amount of foreign capital US$ 0.590 MILLION

(i) Period for bringing in foreign capital WITHIN ONE YEAR FROM THE DATE OF ISSUANCE OF MIC PERMIT

(j) Total amount of capital (Kyat) EQUIVALENT IN KYAT OF US$ 0.590 MILLION

(k) Construction period 3 MONTHS

(l) Permitted duration of investment 50 YEARS

(m) Form of investment WHOLLY FOREIGN OWNED INVESTMENT

(n) Name of the economic organization to be formed in Myanmar MYANMAR DABEE CO., LTD.

Win Shein

Chairman

The Myanmar Investment Commission

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ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်

ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၇၉၃/၂၀၁၄ ၂၀၁၄ ခုနှစ် ဧပြီလ ၂ ရက်

ပြည်ထောင်စုသမ္မတ မြန်မာနိုင်ငံတော်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေ ပုဒ်မ (၁၃)ပုဒ်မခွဲ(ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. YANG CHANG HO

(ခ) နိုင်ငံသား REPUBLIC OF KOREA

(ဂ) နေရပ်လိပ်စာ NO. 202, KINGSBILL TOWN, 22-11, BAKCHON-DONG, KYEYANG-GU, INCHEON, KOREA.

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ -

(င) ဖွဲ့စည်းရာအရပ် -

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား CMP စနစ်ဖြင့် အဝတ်အထည်အမျိုးမျိုး ချုပ်လုပ်ခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) မြေတိုင်းရပ်ကွက်အမှတ် ၁၈၊ မြေကွက်အမှတ် (၁၅၃)၊လှိုင်သာယာစက်မှုဇုန်(၅/တိုးချဲ့)၊လှိုင်သာယာမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်း ပမာဏ အမေရိကန်ဒေါ်လာ ၀.၅၉၀ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ခွင့်ပြုမိန့်ရရှိသည့် နေ့မှ (၁)နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) အမေရိကန်ဒေါ်လာ ၀.၅၉၀ သန်းနှင့် ညီမျှ သောမြန်မာကျပ်ငွေ

(ဋ) တည်ဆောက်မှုကာလ ၃ လ

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၅၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ရာခိုင်နှုန်းပြည့်နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည် MYANMAR DABEE CO.,LTD.

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

Republic of the Union of Myanmar
Sr No.
Dated
Myanmar Investment Commission

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref : DICA-1/FI-945/2014(3667-1)
Date : 2 April 2014

Tel: 067- 406334, 406075
Fax: 95-67-406333

Subject: **Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing of Garment on CMP basis" under the name of "Myanmar Dabee Co., Ltd."**

Reference: Myanmar Dabee Co., Ltd. Letter dated (9.1.2014)

1. The Myanmar Investment Commission, at its meeting (10/2014) held on(19-3-2014)had approved that the proposal for investment in "Manufacturing of Garment on CMP basis" under the name of "Myanmar Dabee Co., Ltd. "submitted by Mr. Yang Chang Ho (80%) and Mr. Lim Chang Hyun (20%) from Korea as a wholly foreign owned investment.

2. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Foreign Investment Law and Chapter VIII, Rule 49 of the Foreign Investment Rules relating to the Foreign Investment Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 50 (fifty) years and extendable for 10 (ten) years 2 (two) times period commencing from the date of signing of the Land Lease Agreement for land and building between Daw Toe Toe Myint and Myanmar Dabee Co., Ltd.

4. The annual rent for the land and building shall be US$ 51,600 (United States Dollar fifty one thousand, six hundred only) calculated at the rate of US$ 5.67square meter per year of the land measuring 9089.25 square meter (2.246 acres). The rate of increase in rent shall not be more than 10% of the previous rent.

5. In issuing this "Permit," the Commission has granted, the followings exemptions and reliefs as per Chapter XII, section 27(a), (h), (i) and (k) of

the Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section 27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial operation;

(b) As per section 27(h), exemption or relief from custom duty or other internal taxes or both on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction of business;

(c) As per section 27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section 27(k), exemption of relief from commercial tax on the goods produced for export.

6. Myanmar Dabee Co., Ltd. shall have to sign the Land and Building Lease Agreement with Daw Toe Toe Myint. After signing such Agreement, (5) copies shall have to be forwarded to the Commission.

7. Myanmar Dabee Co., Ltd. in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of Incorporation and Memorandum of Association and Articles of Association shall have to be forwarded to the Commission.

8. Myanmar Dabee Co., Ltd. shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit" it shall become null and void.

9. Myanmar Dabee Co., Ltd. has to abide by Chapter X, Rule 58 and 59 of the Foreign Investment Rules for construction period.

10. As per Chapter X, Rule 61 of the Foreign Investment Rules, extension for the construction period shall not be allowed more than one except

it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

11. As per Chapter X, Rule 63 of the Foreign Investment Rules,if Myanmar Dabee Co., Ltd. cannot construct completely in time during the construction period or extension period, the Commission will have to terminate the permit issued to the investor and there is no refund for the expenses of the project.

12. The commercial date of operation shall be reported to the Commission.

13. Myanmar Dabee Co., Ltd. shall endeavour to meet the targets for production and export stated in the proposal as the minimum target.

14. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Foreign Investment Law and the Myanmar Dabee Co., Ltd. has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 84 of the Foreign Investment Rules.

15. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 134 and 135 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under Chapter I, section-2 (i) of the Foreign Investment Law, other than foreign currency.

16. Myanmar Dabee Co., Ltd. brings in foreign capital defined under Chapter I, section-2 (i) of the Foreign Investment Law, other than foreign currency in the manner stated in paragraph 15(b) mentioned above, the

Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

17. Myanmar Dabee Co., Ltd. has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI, Rule 136 and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen or a citizen-owned business in the State and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 145 of the Foreign Investment Rules.

18. Myanmar Dabee Co., Ltd. shall report to the Commission for any alteration in the physical and financial plan of the project. Cost overrun, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

19. Myanmar Dabee Co., Ltd. shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per instructions made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and procedures.

20. After getting permit from Myanmar Investment Commission, Myanmar Dabee Co., Ltd. shall have to be registered at the Directorate of Industrial Supervision and Inspection.

21. Myanmar Dabee Co., Ltd. shall contribute 1% of the annual net profit for Corporate Social Responsibility (CSR) activities in Myanmar.

22. Myanmar Dabee Co., Ltd. shall have to abide by the Fire Services Department's rules, regulation, directives and instruction. Moreover, fire prevention measures shall have to undertake such as water storage tank, fire extinguishers and provide training to use the fire fighting equipments.

23. Payment of principal and interest of the loan (if any) as well as payment for import of raw materials and spare parts etc., shall be made from export earning (CMP charges)of Myanmar Dabee Co., Ltd.

24. Myanmar Dabee Co., Ltd. in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rule 79 and 80 of the Foreign Investment Rules.

Win Shein

(Win Shein)

Chairman

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Myanmar Dabee Co., Ltd.

cc:
1. Office of the Union Government of the Republic of the Union of Myanmar
2. Office of the Yangon Region Government
3. Ministry of National Planning and Economic Development
4. Ministry of Finance
5. Ministry of Commerce
6. Ministry of Industry
7. Ministry of Foreign Affairs
8. Ministry of Home Affairs
9. Ministry of Immigration and Population
10. Ministry of Labour, Employment and Social Security

11. Ministry of Environmental Conservation and Forestry
12. Ministry of Electric Power
13. Chairman, CMP Enterprise Supervision Committee
14. Director General, Directorate of Investment and Company Administration
15. Director General, Directorate of Human Settlement and Housing Development
16. Director General, Directorate of Industrial Supervision and Inspection
17. Director General, Customs Department
18. Director General, Internal Revenue Department
19. Managing Director, Myanma Foreign Trade Bank
20. Managing Director, Myanma Investment and Commercial Bank
21. Managing Director, Myanma Insurance
22. Managing Director, Myanma Electric Power Enterprise
23. Director General, Directorate of Trade
24. Director General, Immigration and National Registration Department
25. Director General, Directorate of Labour
26. Director General, Department of Environmental Conservation
27. Director General, Fire Services Department
28. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)